THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) RBI reported that, irrespective of the date of occurrence of the frauds, it had received during 1985 reports from 28 public sector banks of the commission in India and outside of 2189 frauds involving Rs. 114.62 crores (approximately).

(b) The number of delinquent employees against whom action is taken|being taken for their involvement in cases of frauds, as per information available with RBI, on the basis of reports from public sector banks for 1985 is as under:

(a) No. of employees convicted on charges of fraud	27
(b) No. of employees given major /minor penalties	387
(c) No. of employees against whom prosecution is pending in the Courts	186
(d) No. of employees against whom departmental proceedings are pending	446

(c) To eliminate the scope for frauds malpractices, banks are taking steps to strengthen control mechanisms and to improve management information systems, as also effective follow-up action. Clearance of arrears in balancing of books and in reconciliation of inter branch and other accounts are also being undertaken on a continuous basis so as to prevent frauds in those areas. Information is also circulated by RBI to banks giving details of novel methods of frauds and advising banks to adopt necessary safe-guards. Books of instructions are also circulated by banks amongst their staff, indicating precautions|checks which should be observed to prevent occurrence of frauds.

Profitability of commercial banks

124. SHRI RAOOF VALIULLAH:

SHRI DINKARRAO GOVIND RAO PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that profitability of public sector commercial banks is eroded over the years.

(b) if so what steps are proposed to be taken by Government to stop this trend; and

(c) what was the percentage of profit of these banks against their working funds during 1981 to 1985, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) After nationalisation of major 14 commercial banks in 1969, banking industry has witnessed enormous growth. The large scale expansion of branch net work has put heavy strain on the banking industry in several areas including customer service, control mechanism, profitability etc. The aggregate published profits of 28 public sector banks for the years 1981, 1982, 1983 and 1984 are indicated below:

Year	Amount in crores of Rs.
1981	64·47
1982	77·56
1983	84·35
1984	82·52

The final accounts of 28 public sector banks for the year 1985 are at various stages of finalisation. Only after these accounts are finalised, it will be possible to indicate the actual profits earned by them during the year 1985. However, a quick estimate of the working results of

the 28 public sector banks has given an indication that the published profits might go up by about 32 per cent in 1985 as compared to the published profits for the year 1984.

Government and Reserve Bank have taken a number of steps in 1985 for improving customer service and thereby improving the efficiency of banks. A number of specific steps have also been taken to improve the profitability of banks which include a better return on cash reserves kept with the Reserve Bank of India, higher rate of interest on food credit, the benefit of non-deduction of tax at source on interest on Government securities held by nationalised banks, allocation of additional capital to nationalised banks, etc.

Besides these steps, banks have also been advised to take specific measures to maintain their viability and profitability which relate to funds management, business planning and development, recovery of advances and reduction in non-performing loans, leakage of income, cost control, staff productivity etc.

(c) The percentages of published profits of 28 public sector banks to their working funds for the years 1981 to 1984 are indicated below:

Year	%age of published profits to their working funds
1981 . . .	0.12
1982 . . .	0.12
1983 . . .	8.11
1984 . . .	0.09

Fall in prices of cardamom

125. SHRI M. M. JACOB: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the hardships being faced by the cardamom growers due to fall in the prices of cardamom during the current season as compared to prices prevailing in 1983-84 and 1984-85;

(b) what are the reasons for the said fall in the prices of cardamom; and

(c) what steps are being taken by Government to ensure remunerative price to cardamom growers?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) to (c) Prices which had risen sharply in the past three years on account of short supply as a result of drought have now returned to levels comparable to those prevalent with normal level of production and cannot be considered unremunerative. Schemes to increase productivity are being implemented to ensure remunerative returns to growers.

Plans to attract investments from non-residents Indians

126. SHRI M. M. JACOB: Will the Minister of FINANCE be pleased to state:

(a) what are the plans before Government to attract investment by non-resident Indians in India;

(b) whether any liaison offices have been set up especially for this purpose in countries where large number of Indians live; and

(c) if not, whether government propose to appoint qualified persons for such jobs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Government have extended several facilities for attracting remittances and investments by non-residents of Indian nationality/origin. All the schemes introduced since 1982 continue to be in force. These include facilities for setting up new industries for investment in equities, Government secu-